



State of Connecticut

HOUSE OF REPRESENTATIVES
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MEMBER
APPROPRIATIONS COMMITTEE
TRANSPORTATION COMMITTEE
PUBLIC HEALTH COMMITTEE

Testimony

In Support of H.B. No. 5867 An Act Concerning Interest Due on Advances From The Unemployment Compensation Advance Fund

Labor and Public Employees

February 24, 2015

Dear Senator Winfield, Representative Tercyak, Senator Hwang, Representative Rutigliano, and all other distinguished members of the Labor and Public Employees Committee: I would like to thank you for the opportunity to testify in support of House Bill 5867, An Act Concerning Interest Due On Advances From The Unemployment Compensation Advance Fund.

Connecticut has yet to recover from the Great Recession; unlike most states in the USA, we have yet to regain all the jobs we lost since 2008. As we know, small businesses are the engines that create new jobs. If our goal is to achieve economic growth, we need to find ways to help small businesses.

On the other hand, Connecticut has rightfully met its unemployment compensation obligations to those who lost their jobs through no fault of their own.

However our State, in my view, has not taken a balanced approach between these two competing policy objectives. Because of an over generous approach to fulfilling these obligations, our resources were overwhelmed in 2009. As a result the savings account used to pay these benefits became insolvent.

After borrowing over a billion dollars from the Federal Government to continue fulfilling our over generous obligations, we made the further decision to have small businesses repay these loans via a "special assessment."

Proposed Bill 5867 seeks to bring balance between our unemployment compensation obligations and helping small businesses grow. This legislation will go a long way towards convincing small businesses that their State Government is on their side.

I strongly urge the members of the Labor and Public Employees Committee to pass House Bill 5867, "AAC Interest Due on Advances From The Unemployment Compensation Advance Fund." This bill will ease the already high tax load on our businesses and allow them to use these resources to create new jobs.

Thank you for letting me testify to your committee.

Sincerely yours,

A handwritten signature in cursive script that reads "Fred Wilms". The signature is fluid and written in dark ink.

Fred Wilms
State Representative 142nd District
Norwalk & New Canaan